From:	Stan Sokolowski <ssokolowski@cifc.com>
To:	Stan Sokolowski <ssokolowski@cifc.com>
CC:	
Date:	Mon, 5/11/2015 6:24:22 PM
Subject:	Daily Update

Congratulations Team CIFC!

Quote of the Day

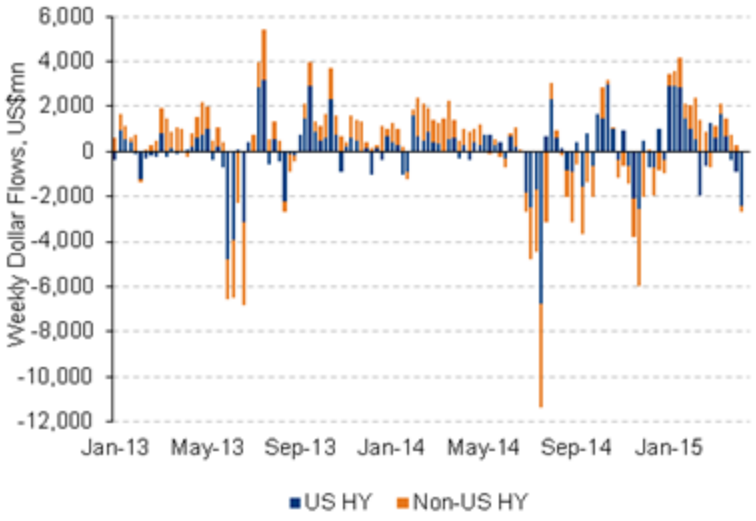
"Complacency kills" – Anonymous CIFC CIO

- A couple of news items to start the week. China cut their benchmark interest rate over the weekend as their economy suffers from lower growth and high debt levels (sound familiar?). The global fixed income rout the began a couple of weeks again appears to be subsiding a bit as the situation in Greece is moving to the forefront again (they are meeting with their "partners" again as their reserves are border on depletion…). Bouts of vol will continue, let's use it constructively. In the UK, the Labour party and Liberal Dems were destroyed in elections last week as the middle class continues to get squeezed and economy

goes off the boil (sound familiar?). Concerns over this outcome include a potential referendum on EU membership and Scotish independence (more items for the worry list). Uber is staring at a $50bn valuation via a new round of funding (Trivia question: who was the last private company to achieve this benchmark?). Futures: +3. 10 year: 2.19%

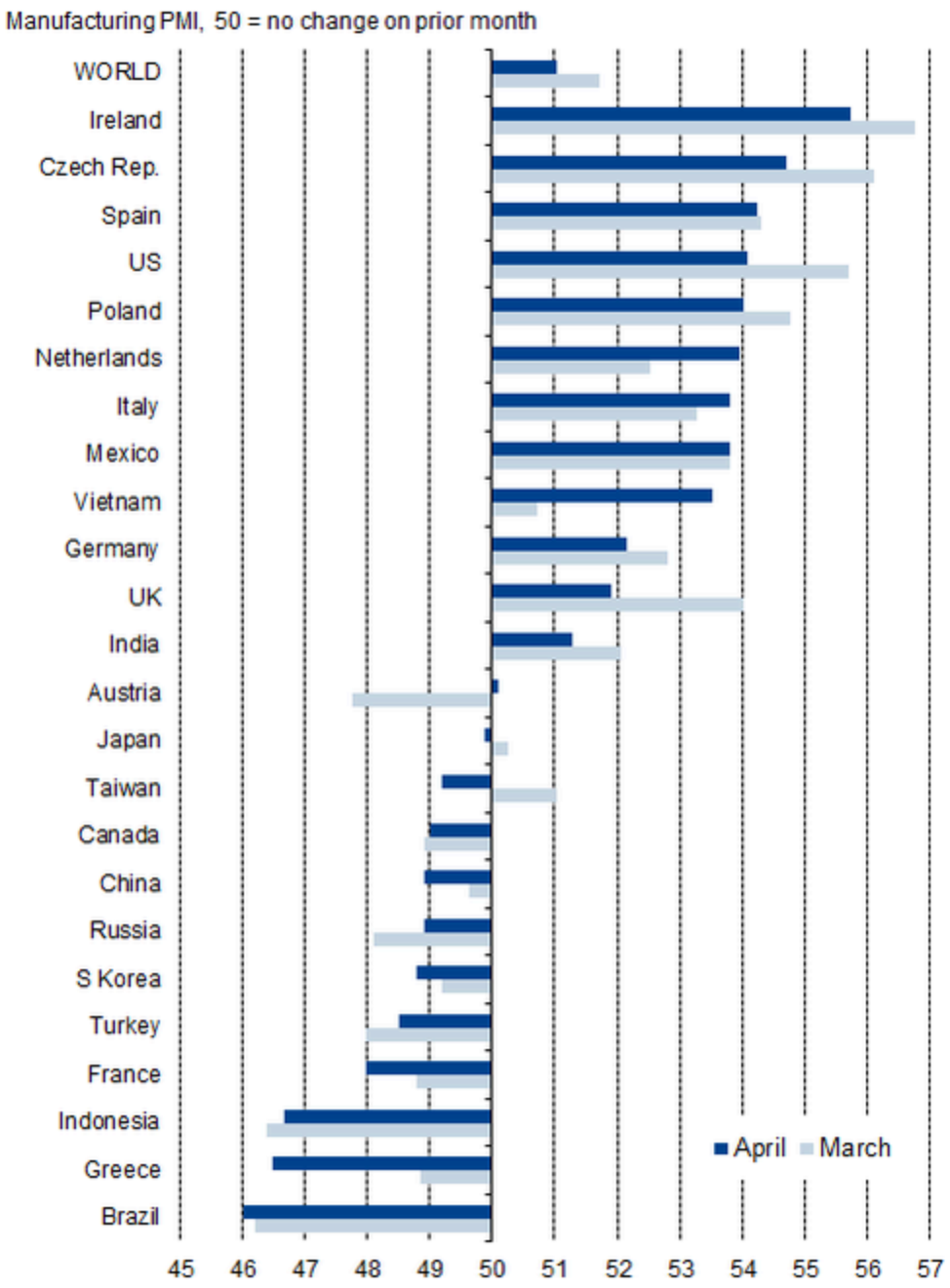
- Data: Jobs data on Friday is being as middle of the fairway however 1Q GDP is now being revised by consensus to negative as economists also bring down their 2Q projections…

- Credit: High Yield experienced a massive $2.75bn outflow last week as prices responded accordingly (down circa 1pt last week). Credit markets are inching back to quality issues as vol increases and data disappoints. Loans experienced some softness last week driven by continued to repricings and some spillover from the high yield market. Overall, stability remains a feature of the loan asset class. Also, four CLO priced last week. HY bond flows:

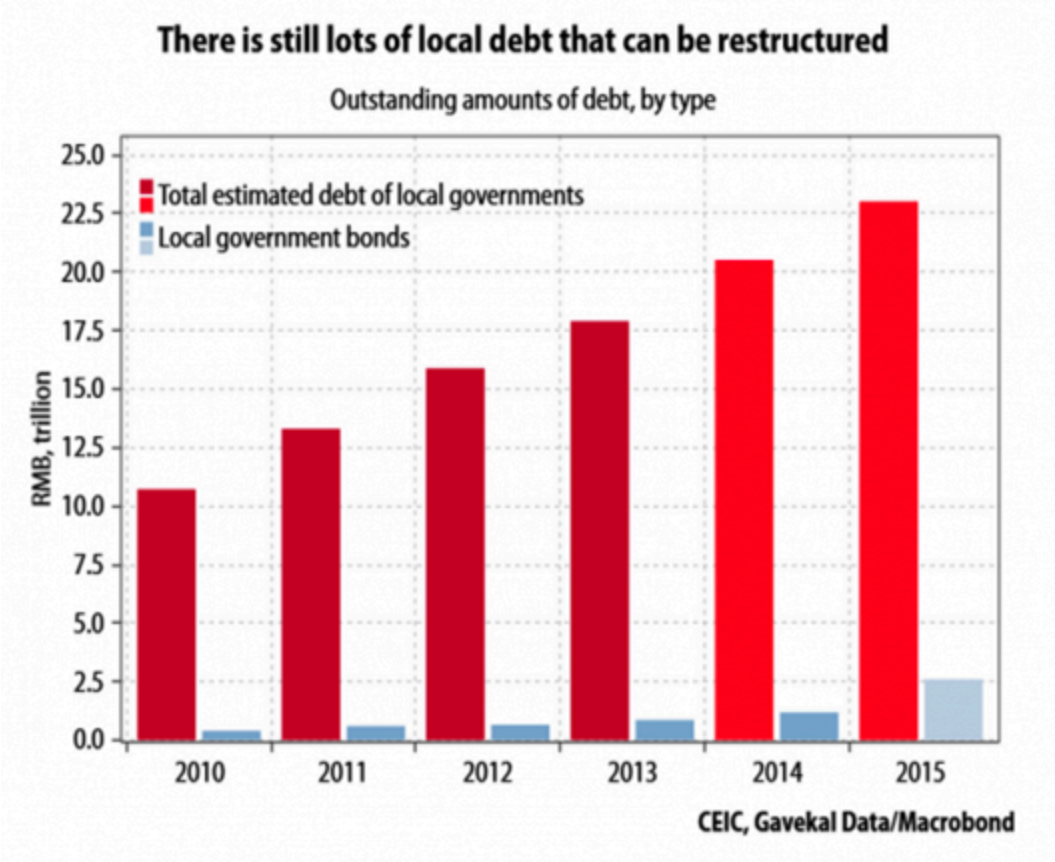


- Charts of the day

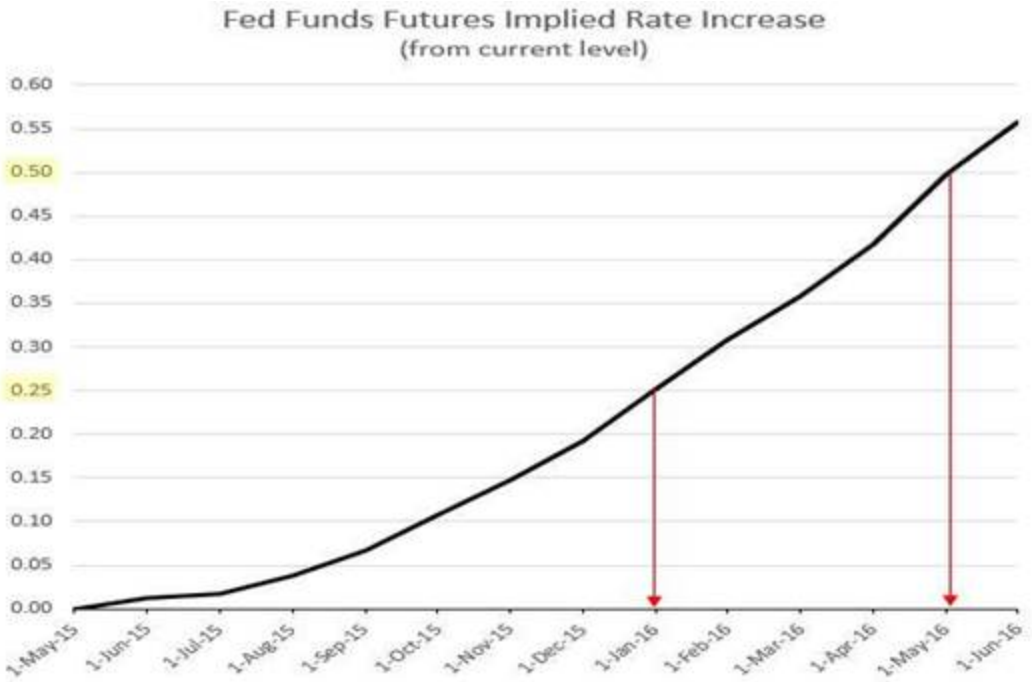
Global PMIs



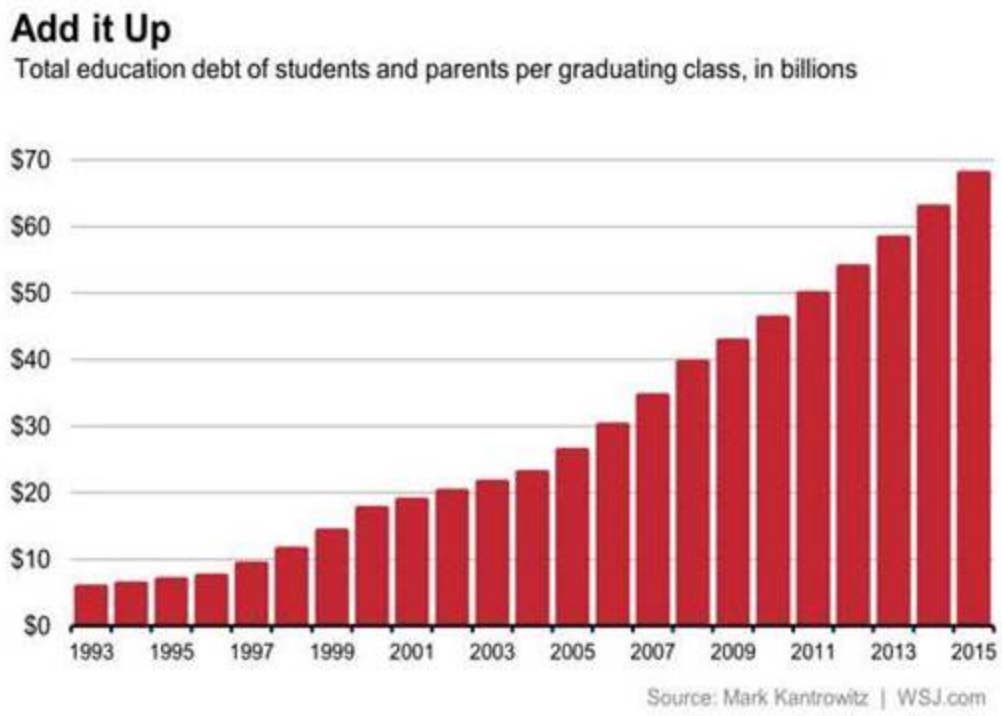
One reason for the Chinese to lower rates (the muni's are up to their eyeballs in debt). 6.2 Yuan to 1USD



The rate men's view



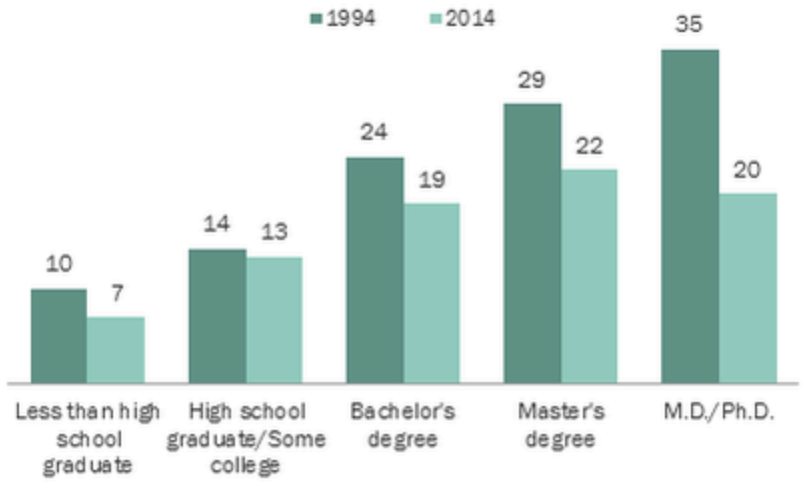
The next disaster?...



- Other:
    - I need to borrow more!!! http://www.nytimes.com/2015/05/08/business/dealbook/bank-of-america-and-jpmorgan-chase-agree-to-erase-debts-from-credit-reports-after-bankruptcies.html?ref=dealbook
    - Not good for growth =>

For the Highly Educated, Dramatic Declines in Childlessness

% of women ages 40 to 44 who are childless



Note: A new working paper suggests that Current Population Survey estimates of childlessness may have been somewhat too large until 2012, when the Census Bureau implemented new editing rules. See "About the Data" for more details. The "1994" timepoint is based upon combined data from 1992, 1994 and 1995. The "2014" timepoint is based upon combined data from 2012 and 2014. High school graduate/Some college includes those with a two-year degree.

Source: Pew Research Center analysis of 1992, 1994, 1995, 2012 and 2014 Current Population Survey June Supplements

PEW RESEARCH CENTER

- HY: 107 ¼ (-1/32)
- IG: 63 3/16 (+3/16)
- CSLLI: 0.10% mtd / 3.09% ytd

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